

**HOMEOWNERSHIP IN REVITALIZATION AREAS PROGRAM**

PROGRAM DESCRIPTION	The Homeownership In Revitalization Areas Program (HIRAP) is designed to provide a deferred payment, simple interest rate junior loan of an amount not to exceed six percent (6%) of the home sales price. The six percent (6%) maximum loan amount is effective January 1, 2004; and after twelve (12) months of availability, CalHFA will reevaluate the continuance. The junior loan may be used for downpayment or closing costs and may be combined with a CalHFA or non-CalHFA conventional or government first mortgage loan.
TARGET MARKETS	This program is intended for low income first-time homebuyers anywhere in California.
PARTICIPATING LENDERS	CalHFA-approved Lenders. www.calhfa.ca.gov/homeownership/approvedlenders/index.htm
PARTICIPATING NONPROFITS	CalHFA-approved Nonprofits. www.calhfa.ca.gov/homeownership/programs/hirap_nonprofit-orgs.html
BORROWER ELIGIBILITY	Borrowers must meet the following requirements: <ul style="list-style-type: none"> • Be a first-time homebuyer • Completed Homeownership Counseling from a CalHFA-approved nonprofit organization • Meet HCD's lower income limits • Meet credit, income and loan requirements of the CalHFA lender and the mortgage insurer • CalHFA program underwriting if combining HIRAP with a CalHFA first mortgage loan
PROPERTY ELIGIBILITY	Properties must meet the following requirements: <ul style="list-style-type: none"> • Located in a community revitalization area targeted by the CalHFA-approved nonprofit organization • Within CalHFA-defined sales price limits • Be a single-family, one-unit residence, including condo/PUDs • Manufactured housing is allowed if permanently attached, fee simple title
TRANSACTION TYPE	Purchase transactions only.
INTEREST RATE	CalHFA offers a unique interest rate for this program. A list of current rates is available by either contacting a CalHFA-approved Lender or visiting the Agency's web site at www.calhfa.ca.gov
MAXIMUM LOAN AMOUNT	First loan: Maximum as allowed by mortgage insurer, subject to borrower credit eligibility. Second loan: Not to exceed 6% of the home sales price

INCOME LIMITS	Borrower's income cannot exceed HCD's lower income limits adjusted by family size and established for the county in which the borrower is purchasing. www.calhfa.ca.gov/homeownership/rates-limits/income/index.htm
SALES PRICE LIMITS	Sales price of the home cannot exceed CalHFA's published sales price limits. www.calhfa.ca.gov/homeownership/rates-limits/salesprice/index.htm
MORTGAGE INSURANCE	Mortgage insurance is required unless the loan-to-value (LTV) on the first loan is 80% or less. Acceptable mortgage insurers/guarantors include: FHA, VA, & CalHFA's Mortgage Insurance Services Division.
REPAYMENT OF SECOND LOAN	Repayment of the principal and interest on the second loan shall be due and payable at the earlier of the following events: <ul style="list-style-type: none"> • Transfer of title • Sale of the residence • Payoff or refinance of the first loan • Upon the formal filing and recording of a Notice of Default (unless rescinded)
PROGRAM RESTRICTIONS	HIRAP cannot be combined with CalHFA's Extra Credit Teacher Home Purchase Assistance Program (ECTP) or the California Homebuyer's Downpayment Assistance Program (CHDAP).
HOW TO APPLY	For further information on HIRAP, please contact a CalHFA-approved nonprofit organization. A list of CalHFA-approved nonprofit organizations is available on the Agency's website or you may contact one of CalHFA's-approved Lenders or visit our web site at: www.calhfa.ca.gov/homeownership/index.htm
QUESTIONS	Questions regarding the Homeownership In Revitalization Areas Program should be directed to CalHFA-approved Lenders or the CalHFA's Homeownership Division at: <ul style="list-style-type: none"> • P. O. Box 4034, Sacramento, CA 95812 • Phone: 916.324.8088 • Email: homeownership@calhfa.ca.gov • Web site: www.calhfa.ca.gov

IMPORTANT DISCLOSURE INFORMATION:

The information provided in this program description is for guidance only. While we have taken care to provide accurate information, we cannot cover every circumstance nor program nuance. This program description is subject to change from time to time without prior notice. CalHFA does not discriminate on the basis of disability in employment or in the admission and access to its programs or activities.